

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

770



FROM: Economic Development Agency

SUBMITTAL DATE:
August 16, 2012

SUBJECT: Community Development Block Grant Separation and Transfer Agreements between the County of Riverside and the Cities of Temecula and Cathedral City

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and authorize the Assistant County Executive Officer/EDA, or his designee, to sign the CDBG Separation and Transfer Agreement between the County of Riverside and the City of Cathedral City in the amount of \$260,457.00;
2. Ratify and authorize the Assistant County Executive Officer/EDA, or his designee, to sign the CDBG Separation and Transfer Agreement between the County of Riverside and the City of Temecula in the amount of \$1,149,392.03; and

(Continued)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: City of Cathedral City and City of Temecula - Community Development Block Grant Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
Jennifer L. Sargent
BY: Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: *Annie T. Sahhar*
ANNIE T. SAHHAR
DATE: 8/16/12
Departmental Concurrence

Dep't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 3.28 of 7/1/08

District: ALL

Agenda Number:

3.28

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

RECOMMENDED MOTION: (Continued)

3. Authorize the Assistant County Executive Officer/EDA to sign the Funding Approval/Agreements (Form HUD-7082) for the transfer of CDBG funding to the cities of Cathedral City and Temecula.

BACKGROUND:

On July 1, 2012, the cities of Cathedral City and Temecula accepted entitlement status as Metropolitan Cities under the U.S. Department of Housing and Urban Development (HUD) CDBG program; consequently, these cities no longer participate in the County's Urban County CDBG program as Cooperating Cities. Both cities now receive CDBG funds directly from HUD and carry out CDBG-funded activities separate from the County's Urban County program.

Pursuant to previous CDBG Cooperation Agreements with both cities, the County retains within its CDBG Letter of Credit unused balances of CDBG funds allocated to these cities for approved projects. Neither city was able to fully implement and complete these approved projects prior to their departure from the County's Urban County program.

Both cities have requested the transfer of these CDBG balances from the County to the cities' CDBG Letters of Credit pursuant to CDBG regulations 24 CFR 570.510. The unused balance for the city of Cathedral City is \$268,457.00, and the balance with the city of Temecula is \$1,149,392.03. HUD has approved the transfer of funding and requires the County to enter into Separation and Transfer Agreements with the cities and to approve and sign the Funding Approval/Agreement forms (form HUD-7082).

County Counsel has reviewed and approved as to form both the Separation and Transfer Agreements and the Funding Approval Agreement form (form HUD-7082).

The Economic Development Agency recommends approval of the transfer of CDBG funds to the cities of Cathedral City and Temecula.

ATTACHMENTS:

Funding Approval/Agreement (form Hud-7082)
Separation and Transfer Agreements

1 **SEPARATION AND TRANSFER AGREEMENT**
2 **FOR THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**
3 **BETWEEN THE COUNTY OF RIVERSIDE**
4 **AND THE CITY OF CATHEDRAL CITY**

5 This Agreement is made and entered into, by and between the County of Riverside of the
6 State of California, hereinafter referred to as "COUNTY", and the City of Cathedral City, a city
7 within COUNTY, hereinafter referred to as "CITY".

8 WITNESSETH

9 WHEREAS, there has been enacted into law, Public Law 93-383, the Housing and
10 Community Development Act of 1974 (Act), the primary objective of which is the development
11 of viable urban communities by providing federal assistance for community development
12 activities in urban areas; and

13 WHEREAS, COUNTY is an "Urban County" as that term is used in the Act, and is
14 authorized to apply for and accept Community Development Block Grant (CDBG) program
15 (CFDA No. 14.218) funds with respect to its unincorporated territory and with respect to
16 included units of general local government to undertake or assist in the undertaking of essential
17 community development and housing assistance activities; and

18 WHEREAS, CITY is a unit of general local government located within the territorial
19 boundaries of the COUNTY; and

20 WHEREAS, on July 1, 2008, COUNTY and City entered into a Cooperation Agreement,
21 pursuant to the Act, for the period July 1, 2009, to June 30, 2012; and

22 WHEREAS, CITY will accept CDBG entitlement status as a Metropolitan City
23 beginning July 1, 2012, which enables it to receive CDBG funds directly from HUD and to
24 carry-out CDBG-funded activities separate from the COUNTY's Urban County program; and

25 WHEREAS, pursuant to the Cooperation Agreement, COUNTY currently retains
26 \$268,457 of unexpended CDBG funds, within its letter of credit, that was allocated to the CITY
27 for a previously authorized eligible project during the period of July 1, 2009, to June 30, 2012;
28 and

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WHEREAS, CITY does not expect to begin or complete the Whitewater North Drainage Project (4.CC.09-11), hereinafter referred to as "PROJECT," prior to June 30, 2012, and therefore, will not seek reimbursement of the COUNTY from those funds; and

WHEREAS, both COUNTY and CITY desire the project to be implemented and completed by the CITY; and

WHEREAS, CITY has requested the transfer of the \$268,457 in CDBG funds from the COUNTY to the CITY; and

WHEREAS, CITY and COUNTY agree to transfer responsibility for administration of funds being transferred from the COUNTY's letter of credit to the CITY's letter of credit, as authorized by CDBG regulation 24 CFR 570.510.

NOW THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived therefrom, the parties agree as follows:

I. CONDITIONS OF SEPARATION AND TRANSFER OF CDBG FUNDS

A. COUNTY and CITY agree to the separation and transfer of \$268,457 of CDBG funds between COUNTY and CITY, as provided for in CDBG regulations 24 CFR 570.510. Said transfer of CDBG funds from COUNTY letter of credit and the subsequent transfer of said CDBG funds to CITY letter of credit shall occur by July 1, 2012, or when completed by HUD.

B. CITY will use the transferred funds to design and construct PROJECT, upon completion of environmental processing pursuant to the National Environmental Policy Act, or CITY may reallocate the transferred funds in accordance with 24 CFR 91 to one or more projects that are eligible types of CDBG activities and that meet one of the CDBG national objectives, as prescribed in 24 CFR 570.208.

1 C. COUNTY has responsibility for all expenditures and un-liquidated obligations
2 associated with PROJECT before the time of said separation and transfer of CDBG
3 funds, and COUNTY shall remain responsible for all audit and monitoring findings
4 associated with those expenditures and obligations even after said separation and
5 transfer.

6
7 D. CITY has the responsibility for all other audit and monitoring findings after the
8 transfer of said CDBG funds to CITY letter of credit.

9
10 E. Program income, if any, generated from activities carried out with the transferred
11 funds, shall revert to the CITY CDBG program and be used for one or more eligible
12 types of CDBG activities that meet at least one of the CDBG national objectives.

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14 F. CITY has the responsibility of complying with any and all other provisions of the
15 CDBG program, as may be required by HUD.

16
17 II. CONDITIONS FOR IMPLEMENTATION OF CDBG PROJECT UPON
18 SEPARATION AND TRANSFER OF FUNDS FROM COUNTY TO CITY

19
20 A. WORK TO BE PERFORMED. Except as provided for in Section II. B above, the
21 CITY shall implement PROJECT described in Attachment "A" hereof (entitled "Scope
22 of Work") in accordance with the terms of the COUNTY's 2010-2011 One Year
23 Action Plan approved by the COUNTY and submitted to HUD in application for funds
24 to carry out PROJECT and the certifications which were submitted concurrently with
25 said One Year Action Plans. The COUNTY's 2010-2011 One Year Action Plan and
26 Certifications forms are hereby incorporated by reference into this contract fully as if set
27 forth herein.

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1 CITY shall also undertake the same obligations to COUNTY that COUNTY has
2 undertaken to HUD pursuant to said One Year Action Plans and certifications. CITY
3 shall hold COUNTY harmless against indemnity for any claims, damages, or losses that
4 it may suffer with respect to HUD on account of any failure on part of CITY to comply
5 with the requirements of any such obligations.

6
7 CITY and COUNTY agree to cooperate with the other to the extent necessary to
8 complete the separation of funds pursuant to this Agreement. Each agrees to participate
9 with the other to the extent necessary in the event of any HUD-conducted audit.

10
11 B. COMPLIANCE WITH LAWS: All parties agree to be bound by applicable federal,
12 state, and local laws, ordinances, regulations, and directives as they pertain to the
13 performance of this Agreement. This Agreement is subject to and incorporates the terms
14 of the ACT; 24 CFR Part 570, Chapter V; and OMB Circular A-87.

15
16 C. TERM: This Agreement shall commence when executed by the parties and shall
17 continue in effect until terminated as provided herein or until CITY fully carries out its
18 obligations under this Agreement.

19
20 D. INDEMNIFICATION: In contemplation of the provisions of Section 895.2 of the
21 California Government Code imposing certain tort liability jointly upon public entities
22 solely by reason of such entities being parties to an agreement as defined by Section 895
23 of the Code, the Parties hereto, pursuant to the authorization contained in Section 895.4
24 and 895.6 of the Code, agree that each Party shall be liable for any damages including,
25 but not limited to, claims, demands, losses, liabilities, costs and expenses including
26 reasonable attorneys' fees, resulting from the negligent or wrongful acts or omissions of
27 their employees or agents in the performance of this Agreement, and each Party shall
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1 indemnify, defend, and hold harmless the other Parties from such claims, demands,
2 damages, losses, or liabilities for their negligence.

3
4 CITY shall indemnify, defend, and hold harmless COUNTY and its respective
5 authorized officers, employees, agents, and volunteers from any liability, claims,
6 losses, demands, and actions incurred by COUNTY as a result of the determination by
7 HUD or its successor that activities undertaken by CITY under the program(s) fail to
8 comply with any laws, regulations, or policies applicable thereto, or that any funds billed
9 by and disbursed to CITY under this Agreement, were improperly expended.

10
11 E. MODIFICATION OF AGREEMENT: This Agreement may be modified or amended
12 only by a writing signed by the duly authorized and empowered representative of
13 COUNTY and CITY respectively.

14
15 F. NOTICE: Any notice or notices required or permitted to be given pursuant to this
16 Agreement shall be personally served by the party giving notice or shall be served by
17 certified mail. Notices shall be sufficient if personally served on or if sent by certified
18 mail, postage prepaid, addressed to:

19		
20	COUNTY OF RIVERSIDE	CITY OF CATHEDRAL CITY
21	Suzanne Holland, Assistant Director	Donald Bradley, City Manager
22	Riverside County EDA	City of Cathedral City
23	3403 Tenth Street, Suite 500	68-700 Avenida Lalo Guerrero
24	Riverside, CA 92501	Cathedral City, CA 92234

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G. NO WAIVER: No failure, inaction, neglect, or delay by COUNTY in exercising any of its rights under this Agreement shall operate as a waiver, forfeiture, or abandonment of such rights or any other rights under this Agreement


IN WITNESS WHEREOF, the COUNTY and the CITY have executed this Agreement as of the date listed below.

DATED: May 9, 2012

COUNTY OF RIVERSIDE

CITY OF CATHEDRAL CITY

By: 
Suzanne Holland, Assistant Director
Economic Development Agency

By: 
Donald Bradley, City Manager
City of Cathedral City

FORM APPROVED COUNTY COUNSEL
BY:  7/16/12
ANNIE T. SAHHAR DATE

1 ATTACHMENT A

2 SCOPE OF WORK

3 PROJECT NAME: **Whitewater North Drainage System Project – Phase I**

4
5 LOCATION: Bounded by Ramon Blvd. to the North, Date Palm to the East, Dinah Shore to
6 the South, and Whitewater River to the West

7
8 ACTIVITY DESCRIPTION: The City of Cathedral City will use CDBG funds to pay for costs
9 associated with engineering plans, construction costs, and for storm drain system improvements
10 in the Whitewater Neighborhood.

11
12 NATIONAL OBJECTIVE: All activities funded with CDBG funds must comply with one of
13 more of the CDBG program's National Objective Criteria as required under 24 CFR
14 570.200(a)(2). City certifies that the activity carried out under this Agreement will meet the
15 following National Objective:

16 **National Objective Criteria: 570.208 (a)(1)(i)**

17 **CFR Reference: Low Mod Area Benefit**

18
19 ESTIMATED TIME SCHEDULE: CITY will make all good faith and reasonable efforts to
20 implement the project in compliance with the following estimated implementation schedule, or
21 earlier: **Project Completion 12-18 months from date of transfer of funds**

22
23 ESTIMATED BUDGET: CITY shall make all good faith and reasonable efforts to complete
24 the work under this Agreement within the following estimated budget. In no case shall CITY be
25 entitled to, or shall COUNTY provide CITY with more than **\$268,427** for work performed
26 under this Agreement.

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3 **SEPARATION AND TRANSFER AGREEMENT**
4 **FOR THE USE OF**
5 **COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**
6 **BEWTWEEN THE COUNTY OF RIVERSIDE**
7 **AND THE CITY OF TEMECULA**

8 This Agreement is made and entered into, by and between the County of Riverside of
9 the State of California, hereinafter referred to as "COUNTY", and the City of
10 Temecula, a city within COUNTY, hereinafter referred to as "CITY".

11 **WITNESSETH**

12 WHEREAS, there has been enacted into law, Public Law 93-383, the Housing and
13 Community Development Act of 1974 (Act), the primary objective of which is the
14 development of viable urban communities by providing federal assistance for community
15 development activities in urban areas; and

16 WHEREAS, COUNTY is an "Urban County" as that term is used in the Act, and is
17 authorized to apply for and accept Community Development Block Grant (CDBG) program
18 (CFDA No. 14.218) funds with respect to its unincorporated territory and with respect to
19 included units of general local government to undertake or assist in the undertaking of essential
20 community development and housing assistance activities; and

21 WHEREAS, CITY is a unit of general local government located within the territorial
22 boundaries of the COUNTY; and

23 WHEREAS, On July 12, 2005, COUNTY and City entered into a Cooperation
24 Agreement, pursuant to the Act, for the period July 1, 2006, to June 30, 2009. On July 1, 2008,
25 COUNTY and City entered into a Cooperation Agreement, pursuant to the Act, for the period
26 July 1, 2009, to June 30, 2012; and

27 WHEREAS, CITY will accept CDBG entitlement status as a Metropolitan City
28 beginning July 1, 2012, which enables it to receive CDBG funds directly from HUD and to
carry out CDBG-funded activities separate from the COUNTY's Urban County program; and

1 WHEREAS, pursuant to the Cooperation Agreements, COUNTY currently retains One
2 Million, One Hundred and Forty-Nine Thousand, Three Hundred and Ninety-Two and 03/100
3 Dollars (\$1,149,392.03) of COUNTY CDBG funds, within its letter of credit, that was allocated
4 to the CITY for certain eligible projects during the period of July 1, 2006, to June 30, 2012; and

5 WHEREAS, CITY has elected not to use COUNTY CDBG funds for the construction of
6 the Old Town Gymnasium project (3.TM.20-10 and 3.TM.26-11), and therefore, will not be
7 reimbursed by COUNTY from those funds; and

8 WHEREAS, CITY has requested the transfer of the \$1,149,392.03 in CDBG funds from
9 the COUNTY to the CITY for the a new project, hereinafter referred to as the "Temecula
10 Community Center Rehabilitation Project"; and

11 WHEREAS, the parties desire the Temecula Community Center Rehabilitation Project be
12 implemented and completed by the CITY; and

13 WHEREAS, CITY and COUNTY agree to transfer responsibility for administration of
14 funds being transferred from the COUNTY's Letter of Credit to the CITY's Letter of Credit, as
15 authorized by CDBG regulation 24 CFR 570.510.

16 NOW THEREFORE, in consideration of the mutual covenants herein set forth and the
17 mutual benefits to be derived therefrom, the parties agree as follows:

18 **I. CONDITIONS OF SEPARATION AND TRANSFER OF CDBG FUNDS**

19 A. COUNTY and CITY agree to the separation and transfer of **\$1,149.392.03** of
20 CDBG funds between COUNTY and CITY, as provided for in CDBG regulations
21 24 CFR 570.510. Said transfer of CDBG funds from COUNTY Letter of Credit
22 and the subsequent transfer of said CDBG funds to CITY Letter of Credit shall
23 occur by July 1, 2012, or when completed by HUD.

24 B. CITY will use the transferred funds to design and construct the Temecula
25 Community Center Rehabilitation Project, upon completion of environmental
26 processing pursuant to the National Environmental Policy Act, or CITY may
27 reallocate the transferred funds in accordance with 24 CFR 91 to one or more
28 projects that are eligible types of CDBG activities and that meet one of the CDBG
national objectives, as prescribed in 24 CFR 570.208.

1 C. COUNTY has responsibility for all expenditures and un-liquidated obligations
2 associated with the Old Town Gymnasium Project before the time of said
3 separation and transfer of CDBG funds, and COUNTY shall remain responsible
4 for all audit and monitoring findings associated with those expenditures and
obligations even after said separation and transfer.

5 D. CITY has the responsibility for all other audit and monitoring findings after the
6 transfer of said CDBG funds to CITY Letter of Credit.

7 E. Program income, if any, generated from activities carried out with the transferred
8 funds, shall revert to the CITY CDBG program and be used for one or more
9 eligible types of CDBG activities that meet at least one of the CDBG national
objectives.

10 F. CITY has the responsibility of complying with any and all other provisions of the
11 CDBG program, as may be required by HUD.
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13 **II. CONDITIONS FOR IMPLEMENTATION OF CDBG PROJECT UPON**
14 **SEPARATION AND TRANSFER OF FUNDS FROM COUNTY TO CITY**

15 A. WORK TO BE PERFORMED. Except as provided for in Section II. B above, the
16 CITY shall implement the Temecula Community Center Renovation Project
17 described in Attachment "A" hereof (entitled "Scope of Work"). CITY and
18 COUNTY each agrees to cooperate with the other to the extent necessary to
19 complete the separation of funds pursuant to this Agreement. Each agrees to
20 participate with the other to the extent necessary in the event of any HUD-
conducted audit.

21 B. COMPLIANCE WITH LAWS: All parties agree to be bound by applicable federal,
22 state, and local laws, ordinances, regulations, and directives as they pertain to the
23 performance of this Agreement. This Agreement is subject to and incorporates the
24 terms of the ACT; 24 CFR Part 570, Chapter V; and OMB Circular A-87.

25 C. TERM: This Agreement shall commence when executed by the parties and shall
26 continue in effect until terminated as provided herein or until CITY fully carries out
27 its obligations under this Agreement.
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1 D. INDEMNIFICATION: In contemplation of the provisions of Section 895.2 of the
2 California Government Code imposing certain tort liability jointly upon public
3 entities solely by reason of such entities being parties to an agreement as defined by
4 Section 895 of the Code, the Parties hereto, pursuant to the authorization contained
5 in Section 895.4 and 895.6 of the Code, agree that each Party shall be liable for any
6 damages including, but not limited to, claims, demands, losses, liabilities, costs and
7 expenses including reasonable attorneys' fees, resulting from the negligent or
8 wrongful acts or omissions of their employees or agents in the performance of this
9 Agreement, and each Party shall indemnify, defend, and hold harmless the other
10 Parties from such claims, demands, damages, losses, or liabilities for their
11 negligence.

12 CITY shall indemnify, defend, and hold harmless COUNTY and its respective
13 authorized officers, employees, agents, and volunteers from any liability, claims,
14 losses, demands, and actions incurred by COUNTY as a result of the determination
15 by HUD or its successor that activities undertaken by CITY under the program(s)
16 fail to comply with any laws, regulations, or policies applicable thereto or that any
17 funds billed by and disbursed to CITY under this Agreement were improperly
18 expended.

19 E. MODIFICATION OF AGREEMENT: This Agreement may be modified or
20 amended only by a writing signed by the duly authorized and empowered
21 representative of COUNTY and CITY respectively.

22 F. NO WAIVER: No failure, inaction, neglect, or delay by COUNTY in exercising any
23 of its rights under this Agreement shall operate as a waiver, forfeiture, or
24 abandonment of such rights or any other rights under this Agreement.

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1 G. NOTICE: Any notice or notices required or permitted to be given pursuant to this
2 Agreement shall be personally served by the party giving notice or shall be served by
3 certified mail. Notices shall be sufficient if personally served on or if sent by
4 certified mail, postage prepaid, addressed to:

4 COUNTY OF RIVERSIDE
5 Suzanne Holland, Assistant Director
6 Riverside County EDA
7 3403 Tenth Street, Suite 500
8 Riverside, CA 92501

CITY OF TEMECULA
City Manager
City of Temecula
PO Box 9033
Temecula, CA 92589

9 IN WITNESS WHEREOF, the COUNTY and the CITY have executed this Agreement as of the
10 date listed below.

11 DATED: 5-9-12

14 COUNTY OF RIVERSIDE

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18 By: 

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21 CITY OF TEMECULA

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25 By: 

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27 FORM APPROVED COUNTY COUNSEL

28 BY:  7/16/12
ANNIE T. SAHHAR DATE

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ATTACHMENT A

SCOPE OF WORK

PROJECT NAME: Temecula Community Center Rehabilitation

LOCATION: 28816 Pujol Street, Temecula, CA 92590

ACTIVITY DESCRIPTION: CDBG funds will be used for the design and complete renovation of the Temecula Community Center including new parking lot lighting; trash enclosure; roof replacements; exterior and interior painting; lobby area expansion; new restroom fixtures, floors, and partition walls; new flooring and cabinets throughout; replace kitchen equipment; new doors, windows, and hardware; and install energy efficient HVAC system.

NATIONAL OBJECTIVE: All activities funded with CDBG funds must comply with one of more of the CDBG program's National Objective Criteria as required under 24 CFR 570.200(a)(2).

CITY certifies that the activity carried out under this Agreement will meet the following National Objective:

National Objective Criteria:	570.208 (a)(1)(i)
CFR Reference:	Low/Mod Area
Objective:	Suitable Living Environment (SL)
Outcome:	Sustainability (3)

ESTIMATED TIME SCHEDULE: CITY will make all good faith and reasonable efforts to implement the project in compliance with the following estimated Schedule, or earlier:

Project Completion: 24 months from date of transfer of funds

ESTIMATED BUDGET: CITY shall make all good faith and reasonable efforts to complete the work under this Agreement within the following estimated budget. In no case shall CITY be entitled to, or shall COUNTY provide CITY with, more than \$1,149,392.03 for work performed under this Agreement.

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 1/31/2015)

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Riverside		3a. Grantee's 9-digit Tax ID Number: 95-6000930	3b. Grantee's DUNS Number: 064772721	4. Date use of funds may begin (mm/dd/yyyy): 07/01/2012
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 3403 Tenth Street, Suite 500 Riverside, CA. 92501		5a. Project/Grant No. 1 B-10-UC-06-0506	6a. Amount Approved 1,149,392.03	
		5b. Project/Grant No. 2	6b. Amount Approved	
		5c. Project/Grant No. 3	6c. Amount Approved	

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) William Vasquez	Grantee Name Robert Field
Title Director, Office of Community Planning and Development	Title Assistant County Executive Officer / EDA
Signature 	Signature
Date (mm/dd/yyyy) 2/6/12	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 06/21/2012	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy)	
		9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2012	
11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee	1,148,392.03	FY (2010)	FY ()
b. Funds now being Approved	1,148,392.03		
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of the HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		
Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By							

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 1/31/2015)

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Riverside		3a. Grantee's 9-digit Tax ID Number: 95-6000930	3b. Grantee's DUNS Number: 064772721	4. Date use of funds may begin (mm/dd/yyyy): 07/01/2012
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 3403 Tenth Street, Suite 500 Riverside, CA. 92501		5a. Project/Grant No. 1 B-10-UC-06-0506	6a. Amount Approved 1,149,392.03	
		5b. Project/Grant No. 2	6b. Amount Approved	
		5c. Project/Grant No. 3	6c. Amount Approved	

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) William Vasquez		Grantee Name Robert Field	
Title Director, Office of Community Planning and Development		Title Assistant County Executive Officer / EDA	
Signature 		Signature	
Date (mm/dd/yyyy) 2/6/12		Date (mm/dd/yyyy)	

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 06/21/2012	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number	
		9b. Date Grantee Notified (mm/dd/yyyy)		
		9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2012		
11. Amount of Community Development Block Grant				
		FY (2010)	FY ()	FY ()
a. Funds Reserved for this Grantee		1,148,392.03		
b. Funds now being Approved		1,148,392.03		
c. Reservation to be Cancelled (11a minus 11b)				

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		
Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)		Batch Number		Transaction Code		Entered By		Verified By			

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 1/31/2015)

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Riverside		3a. Grantee's 9-digit Tax ID Number: 95-6000930	3b. Grantee's DUNS Number: 064772721	4. Date use of funds may begin (mm/dd/yyyy): 07/01/2012
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 3403 Tenth Street, Suite 500 Riverside, CA. 92501		5a. Project/Grant No. 1 B-10-UC-06-0506		6a. Amount Approved 1,149,392.03
		5b. Project/Grant No. 2		6b. Amount Approved
		5c. Project/Grant No. 3		6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) William Vasquez		Grantee Name Robert Field	
Title Director, Office of Community Planning and Development		Title Assistant County Executive Officer/EDA	
Signature 	Date (mm/dd/yyyy) 2/6/12	Signature	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 06/21/2012	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number	
		9b. Date Grantee Notified (mm/dd/yyyy)		
		9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2012		
11. Amount of Community Development Block Grant				
		FY (2010)	FY ()	FY ()
a. Funds Reserved for this Grantee		1,148,392.03		
b. Funds now being Approved		1,148,392.03		
c. Reservation to be Cancelled (11a minus 11b)				

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		
Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)		Batch Number		Transaction Code		Entered By		Verified By			

U.S. Department of Housing and Urban Development

Los Angeles Field Office, Region IX
611 W. 6th Street, Suite 1100
Los Angeles, CA 90017

Robert Field, Assistant County Executive Officer.
c/o Suzanne Holland, Assistant Director, Community Services Division
County of Riverside
3403 Tenth Street, Suite 500
Riverside, CA. 92501

JUL 06 2012

Dear Mr. Field:

**SUBJECT: Community Development Block Grant (CDBG) Program
Separation Agreement between Riverside County
and the City of Temecula.
Funding Approval/Agreement
Grant Number: B-10-UC-06-0506**

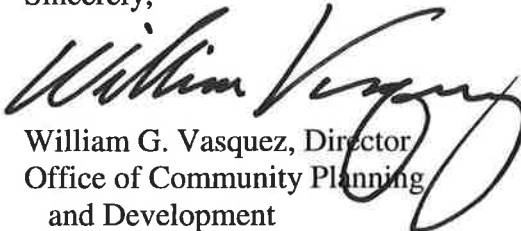
We have received your June 18, 2012 letter transmitting the subject Separation Agreement between the County and the City of Temecula. The Agreement calls for \$1,149,392.03 of un-obligated CDBG funds to be transferred from the County's line of credit to the City of Temecula's line of credit.

In accordance with Transfer of Funds procedures, we are enclosing three (3) copies of the Funding Approval Form (HUD-7082). This constitutes the contract between HUD and the County of Riverside. The amount of decrease from the County's line of credit being transferred to the City of Temecula is reflected on Line 11c.

Please execute all copies of the Funding Approval/Agreement, retain one copy for your records, and return the remaining two copies to our office. Upon receipt, our office will proceed with amending the County's line of credit to reflect the new decreased entitlement amount.

If you have questions or need assistance regarding this, please contact Robert DiGruccio, the Community Planning and Development Representative assigned to this audit at 213-534-2517 or via e-mail at Robert.M.DiGruccio@hud.gov .

Sincerely,


William G. Vasquez, Director
Office of Community Planning
and Development

cc: Suzanne Holland, Assistant Director, Community Services Division
John Aguilar, Deputy Director
John Thurman, EDA Development Manager.

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 1/31/2015)

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Riverside		3a. Grantee's 9-digit Tax ID Number: 95-6000930	3b. Grantee's DUNS Number: 064772721	4. Date use of funds may begin (mm/dd/yyyy): 07/01/2012
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 3403 Tenth Street, Suite 500 Riverside, CA. 92501		5a. Project/Grant No. 1 B-11-UC-06-0506	6a. Amount Approved 268,457.00	
		5b. Project/Grant No. 2	6b. Amount Approved	
		5c. Project/Grant No. 3	6c. Amount Approved	

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) William Vasquez		Grantee Name Robert Field	
Title Director, Office of Community Planning and Development		Title Assistant County Executive Officer/EDA	
Signature 	Date (mm/dd/yyyy) 7/6/12	Signature	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 06/26/2012	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy)	
		9c. Date of Start of Program Year (mm/dd/yyyy): 7/01/2012	
11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee	FY (201)	FY ()	FY ()
268,457.00			
b. Funds now being Approved	268,457.00		
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		
Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By							

Funding Approval/Agreement


Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 1/31/2015)

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Riverside		3a. Grantee's 9-digit Tax ID Number: 95-6000930	3b. Grantee's DUNS Number: 064772721	4. Date use of funds may begin (mm/dd/yyyy): 07/01/2012
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 3403 Tenth Street, Suite 500 Riverside, CA. 92501		5a. Project/Grant No. 1 B-11-UC-06-0506		6a. Amount Approved 268,457.00
		5b. Project/Grant No. 2		6b. Amount Approved
		5c. Project/Grant No. 3		6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) William Vasquez	Grantee Name Robert Field
Title Director, Office of Community Planning and Development	Title Assistant County Executive Officer / EDA
Signature 	Date (mm/dd/yyyy) 7/6/12
Signature	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 06/26/2012	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number	
		9b. Date Grantee Notified (mm/dd/yyyy)		
9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2012				
11. Amount of Community Development Block Grant		FY (201)	FY ()	FY ()
a. Funds Reserved for this Grantee		268,457.00		
b. Funds now being Approved		268,457.00		
c. Reservation to be Cancelled (11a minus 11b)				

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		
Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By							

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 1/31/2015)

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Riverside		3a. Grantee's 9-digit Tax ID Number: 95-6000930	3b. Grantee's DUNS Number: 064772721	4. Date use of funds may begin (mm/dd/yyyy): 07/01/2012
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 3403 Tenth Street, Suite 500 Riverside, CA. 92501		5a. Project/Grant No. 1 B-11-UC-06-0506		6a. Amount Approved 268,457.00
		5b. Project/Grant No. 2		6b. Amount Approved
		5c. Project/Grant No. 3		6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions/addendums, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) William Vasquez	Grantee Name Robert Field
Title Director, Office of Community Planning and Development	Title Assistant County Executive Officer/EDA
Signature 	Signature
Date (mm/dd/yyyy) 7/6/12	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input checked="" type="checkbox"/> None <input type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 06/26/2012	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number	
		9b. Date Grantee Notified (mm/dd/yyyy)		
11. Amount of Community Development Block Grant		9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2012		
		FY (201)	FY ()	FY ()
a. Funds Reserved for this Grantee		268,457.00		
b. Funds now being Approved		268,457.00		
c. Reservation to be Cancelled (11a minus 11b)				

12a. Amount of Loan Guarantee Commitment now being Approved	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
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HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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U.S. Department of Housing and Urban Development

Los Angeles Field Office, Region IX
611 W. 6th Street, Suite 1100
Los Angeles, CA 90017

JUL 06 2012

Robert Field, Assistant County Executive Officer.
c/o Suzanne Holland, Assistant Director, Community Services Division
County of Riverside
3403 Tenth Street, Suite 500
Riverside, CA. 92501

Dear Mr. Field:

SUBJECT: Community Development Block Grant (CDBG) Program
Separation Agreement between Riverside County
and the City of Cathedral City.
Funding Approval/Agreement
Grant Number: B-11-UC-06-0506

We have received your June 18, 2012 letter transmitting the subject Separation Agreement between the County and the City of Temecula. The Agreement calls for \$268,457.00 of un-obligated CDBG funds to be transferred from the County's line of credit to the City of Temecula's line of credit.

CATHEDRAL CITY

In accordance with Transfer of Funds procedures, we are enclosing three (3) copies of the Funding Approval Form (HUD-7082). This constitutes the contract between HUD and the County of Riverside. The amount of decrease from the County's line of credit being transferred to the City of Cathedral City is reflected on Line 11c.

Please execute all copies of the Funding Approval/Agreement, retain one copy for your records, and return the remaining two copies to our office. Upon receipt, our office will proceed with amending the County's line of credit to reflect the new decreased entitlement amount.

If you have questions or need assistance regarding this, please contact Robert DiGruccio, the Community Planning and Development Representative assigned to this audit at 213-534-2517 or via e-mail at Robert.M.DiGruccio@hud.gov.

Sincerely,



William G. Vasquez, Director
Office of Community Planning
and Development

cc: Suzanne Holland, Assistant Director, Community Services Division
John Aguilar, Deputy Director
John Thurman, EDA Development Manager.